

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

v.

CHARLES L. BLOMQUIST,

Defendant.

No. 5:16-CV-588 (NAM/TWD)

COMPLAINT

The United States of America, pursuant to the provisions of 31 U.S.C. § 3711(g)(4)(C), with the authorization of a delegate of the Secretary of the Treasury and at the direction of a delegate of the Attorney General, brings this civil action to obtain a money judgment against Charles L. Blomquist related to an assessment made against him by a delegate of the Secretary of the Treasury pursuant to 31 U.S.C. § 5321. The United States complains and alleges that:

1. Jurisdiction over this action is conferred upon the district court by 28 U.S.C. §§ 1341, 1345, and 1355(a).
2. The defendant, Charles L. Blomquist, is currently incarcerated at the federal prison known as FCI Butner Medium, Butner, North Carolina.
3. Prior to his incarceration, the defendant Charles L. Blomquist resided within this judicial district.
4. The defendant, Charles L. Blomquist, is a citizen of the United States, and was a citizen of the United States during the 2007 calendar year.

5. The defendant, Charles L. Blomquist, during the 2007 calendar year, had an interest in a foreign bank, securities, or other financial account in which the aggregate balance, at some time during 2007, exceeded \$10,000.

6. The defendant, Charles L. Blomquist, maintained an account with the Union Bank of Switzerland. The defendant, Charles L. Blomquist, originally maintained this account in his own name, but subsequently transferred it to the name of a sham corporation, Buffwang, Ltd., to conceal its ownership.

7. The defendant, Charles L. Blomquist, was required to report his interest in a foreign bank, securities, or other financial account for the 2007 calendar year, to the United States by submitting, by June 30, 2008, a form known as the TD F 90.22-1, Report of Foreign Bank and Financial Accounts ("FBAR").

8. The defendant, Charles L. Blomquist, did not submit the FBAR by June 30, 2008.

9. The failure of the defendant, Charles L. Blomquist, to submit the FBAR by June 30, 2008, was willful.

10. On or about May 23, 2014, a delegate of the Secretary of the Treasury made an assessment, pursuant to 31 U.S.C. § 5321, against the defendant, Charles L. Blomquist, in the amount of \$477,489.00, related to his willful failure to submit a FBAR for the year ending December 31, 2007. The amount assessed under 31 U.S.C. § 5321 is commonly known as a "FBAR Penalty."

11. In addition to the principal amount of the assessment described in paragraph 10, above, the defendant, Charles L. Blomquist, is liable for a late-payment penalty pursuant to 31 U.S.C. § 3717(e)(2) and 31 Code of Federal Regulations § 5.5(a), and interest accruing pursuant to law.

12. With interest and other statutory accruals, the amount due with respect to the assessment described in paragraph 10, above, is as of November 13, 2015, \$526,848.98.

13. In a plea agreement entered in the case of *United States v. Charles L. Blomquist*, Crim. No. 5:11-CR-310 (N.D. N.Y.) on or about July 22, 2011, the defendant, Charles L. Blomquist, acknowledged that he had a responsibility to submit a FBAR for the year ending December 31, 2007, and that his failure to submit a Report of Foreign Bank and Financial Accounts for the year ending December 31, 2007 was willful.

WHEREFORE, the United States seeks the entry of judgment against the defendant, Charles L. Blomquist, in the total amount of \$526,846.98, plus interest or other statutory additions accruing after November 13, 2015.

UNITED STATES OF AMERICA

By: /s/ James M. Strandjord
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